



## **Institute of Asian-Pacific Business Law**

William S. Richardson School of Law  
University of Hawai'i at Mānoa

### **Second IAPBL Distinguished Public Lecture**

### **Securities Regulation, Efficient Markets, and Behavioral Finance**

**Dr. Gordon Walker**  
**Professor of Law**  
**La Trobe University School of Law**

January 15, 2008

Moot Court Room

5:00 pm to 6:15 pm with reception following in the Law School courtyard

Economic and finance theories - for example, the efficient markets hypothesis (EMH), financial economics and behavioural finance - enrich our understanding of securities regulation and assist in regulatory design. This lecture, however, argues that the theories are largely irrelevant to the long-standing core aims of securities regulation - the prevention of fraud and investor protection via disclosure of material information. So, for example, behavioural finance tells us that irrational investors may make bad investment decisions for a variety of reasons. This insight tells us nothing lawyers do not know already or intuitively. The thesis of this lecture is that the United Kingdom - and by extension the former British enclaves in the Southern hemisphere such as Hong Kong, Malaysia, Singapore, Australia and New Zealand which all adopted United Kingdom law - had developed a powerful and "classic legal genealogy" or rationale for securities regulation long before EMH - or indeed, any other finance theory - became main-stream. It is this "reclaimed" genealogy that should inform governmental regulation of securities markets in those countries.

**Dr. Gordon Walker**, SJD (Duke) is a Professor of Law at La Trobe University School of Law, Melbourne, Australia. Previously, he was Head of the Law School (2004-2007). He has published extensively in the area of securities regulation where his publications include *Securities Regulation in Australia and New Zealand* 2nd ed. (1998) and the four-volume service published by Oxford University Press, *International Securities Regulation; Pacific Rim*. In 2006, he was Paul Hastings Visiting Professor in Corporate and Financial Law at the Faculty of Law, University of Hong Kong and the Asian Institute of International Financial Law. In 2007, he served as Conference Chair of the 14th Global Finance Conference hosted by La Trobe University in Melbourne, Australia.

*Detailed Information:*

Date: January 15, 2008, 5-6:15 pm

Location: Moot Court Room, William S. Richardson School of Law

Contact: [iapbl@hawaii.edu](mailto:iapbl@hawaii.edu)